

## Guide to Risk Benefit Charges

This section aims to make you understand what risk benefit charges in unit-linked products are and how we compute them.

### **Mortality Charge** (as defined by IRDA vide Circular No. 032/IRDA/Act/Dec-2005)

This is the cost of life insurance cover. It is exclusive of any expense loadings levied either by cancellation of units or by debiting the premium but not both. This charge may be levied at the beginning of each policy month from the fund.

We compute the monthly charge for any benefit using the following formula:

$$\text{Charge amount} = \text{Charge Rate (attained age)} * \frac{\text{Sum\_at\_Risk}}{1000} * \frac{1}{12}$$

Here,

- Charge Rate (attained age) = Charge Rate applicable for the month depending on the attained age of the life assured on the day of calculation of charge amount
- Sum\_at\_Risk = The risk benefit on the day of calculation of charge amount that we are liable to pay on valid claim

We deduct these charges every month by deallocating units proportionately from all funds that your money is invested at the time of deduction of charge.

The charge rates (per Rs. 1,000 Sum\_at\_Risk) applicable for specified attained ages are:

Attained Age	Mortality Charge	Attained Age	Mortality Charge
18	1.4954	45	3.0609
19	1.5064	46	3.2924
20	1.5284	47	3.557
21	1.5505	48	3.8657
22	1.5725	49	4.2296
23	1.6056	50	4.6265
24	1.6277	51	5.0564
25	1.6607	52	5.5526
26	1.6938	53	6.1038
27	1.7269	54	6.6992
28	1.7489	55	7.3717
29	1.76	56	8.1104
30	1.771	57	8.838
31	1.793	58	9.6318
32	1.8151	59	10.591
33	1.8482	60	11.7266
34	1.8923	61	13.0606
35	1.9364	62	14.6041
36	1.9915	63	16.3571
37	2.0576	64	18.3195
38	2.1348	65	19.8299
39	2.223	66	21.5278
40	2.3333	67	24.0856
41	2.4545	68	26.93
42	2.5538	69	30.0611
43	2.6861	70	33.523
44	2.8514		

Notes

- Mortality charge rates are guaranteed for the policy term
- Statutory Charges – Service Tax & Education Cess is payable at the applicable rate on the Mortality Charges
- We will be providing you information about how much we have deducted towards risk benefit charges for your policy in the annual unit statement sent to you after every policy anniversary

It is important that you **do not** judge a unit linked plan solely on the basis of the risk benefit charges or any other charge taken independently.

Charges interact with each other. Thus, the key to understand the charges of your plan and how they impact the maturity value of your policy is to look at the policy benefit illustration.

Our certified Financial Consultant will be happy to explain the plan and the impact of charges in detail.